

**MCIWORLD.COM**

ORIGINAL

1801 Pennsylvania Avenue, NW  
Washington, DC 20006

ORIGINAL

December 19, 2000

EX PARTE OR LATE FILED

EX PARTE

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**RECEIVED**

**DEC 19 2000**

**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY**

**CC Docket No. 94-129**

Dear Ms. Salas:

On December 18, 2000, Karen Reidy, Maggie Cannistraro, Matt Pachman, and I of WorldCom met with Michele Walters, Dana Bradford, and Will Cox of the Common Carrier Bureau's Accounting Policy Division. We discussed an electronic LOA mechanism for the lifting of PIC freezes. The attached document, which was distributed at the meeting, contains the details of our discussion.

In accordance with section 1.1206(b) of the Commission's rules, 47 C.F.R. § 1.1206(b), an original and one copy of this memorandum and attachment are being filed with your office.

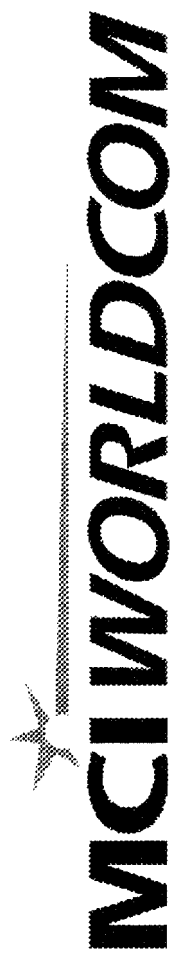
Sincerely,



Lori Wright  
Senior Manager, Regulatory Affairs

cc: Michele Walters  
Dana Bradford  
Will Cox

No. of Copies rec'd 011  
List A B C D E



## ELECTRONIC LOA

---

Providing Consumers New Choices

December 18, 2000

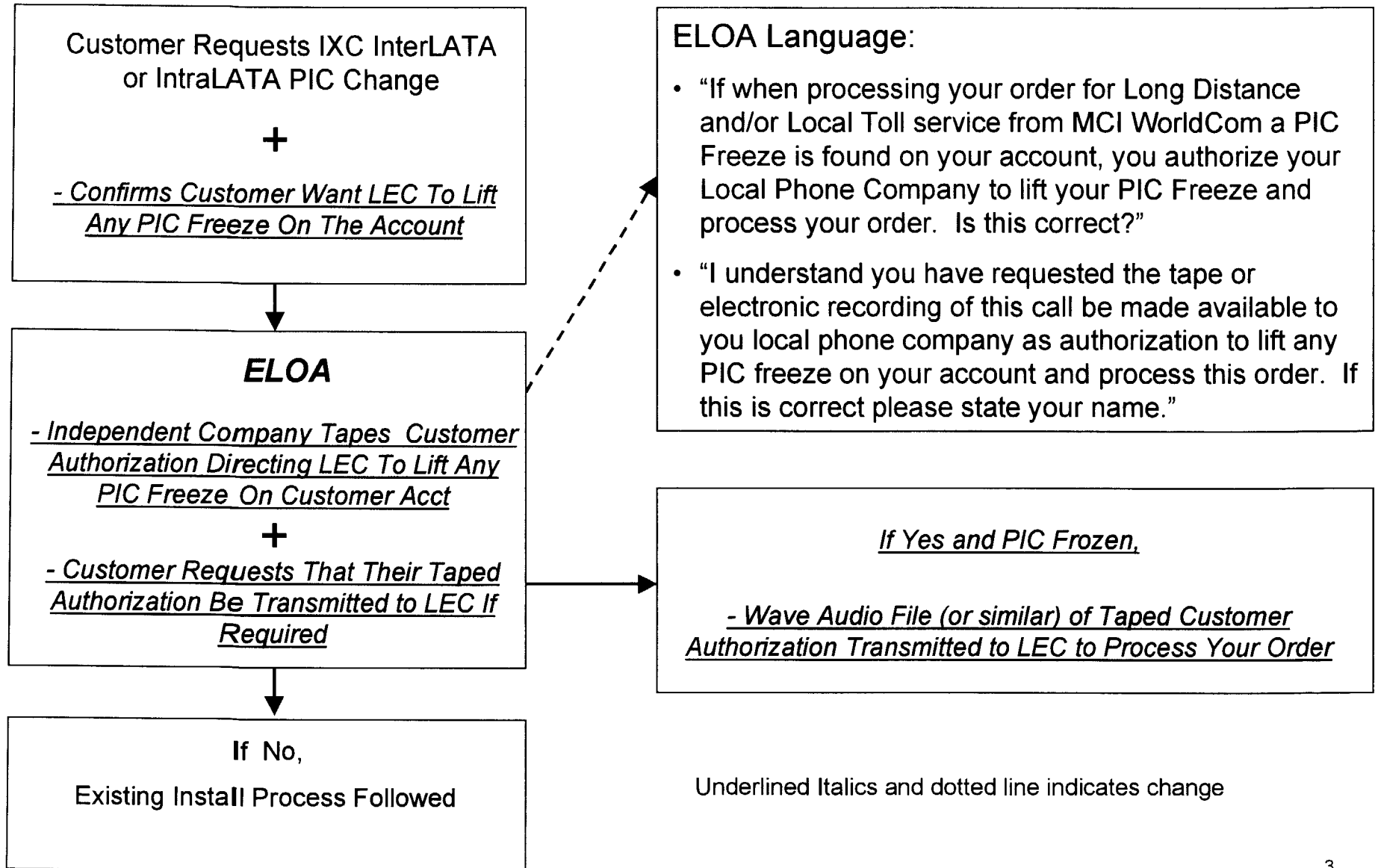
# Electronic LOA Solution Will Increase Customer Control

---

- Electronic communications currently are recognized for online and email carrier change requests
- Electronic LOA uses new technology to further expand customer's control of carrier change process
  - Customer instructs independent company to transmit or make available their taped voice authorization (Electronic LOA) to lift their PIC Freeze and process their order
  - Implementation Options Following PIC Freeze Reject
    1. Customers taped 'Electronic LOA' transmitted to LEC via independent company
    2. Indicator added to CARE re-transmittal indicating 'Electronic LOA' available for review/audit
- Proposal operates under existing federal rules

# Electronic LOA Sales Incorporate Required Components Present in Written Form

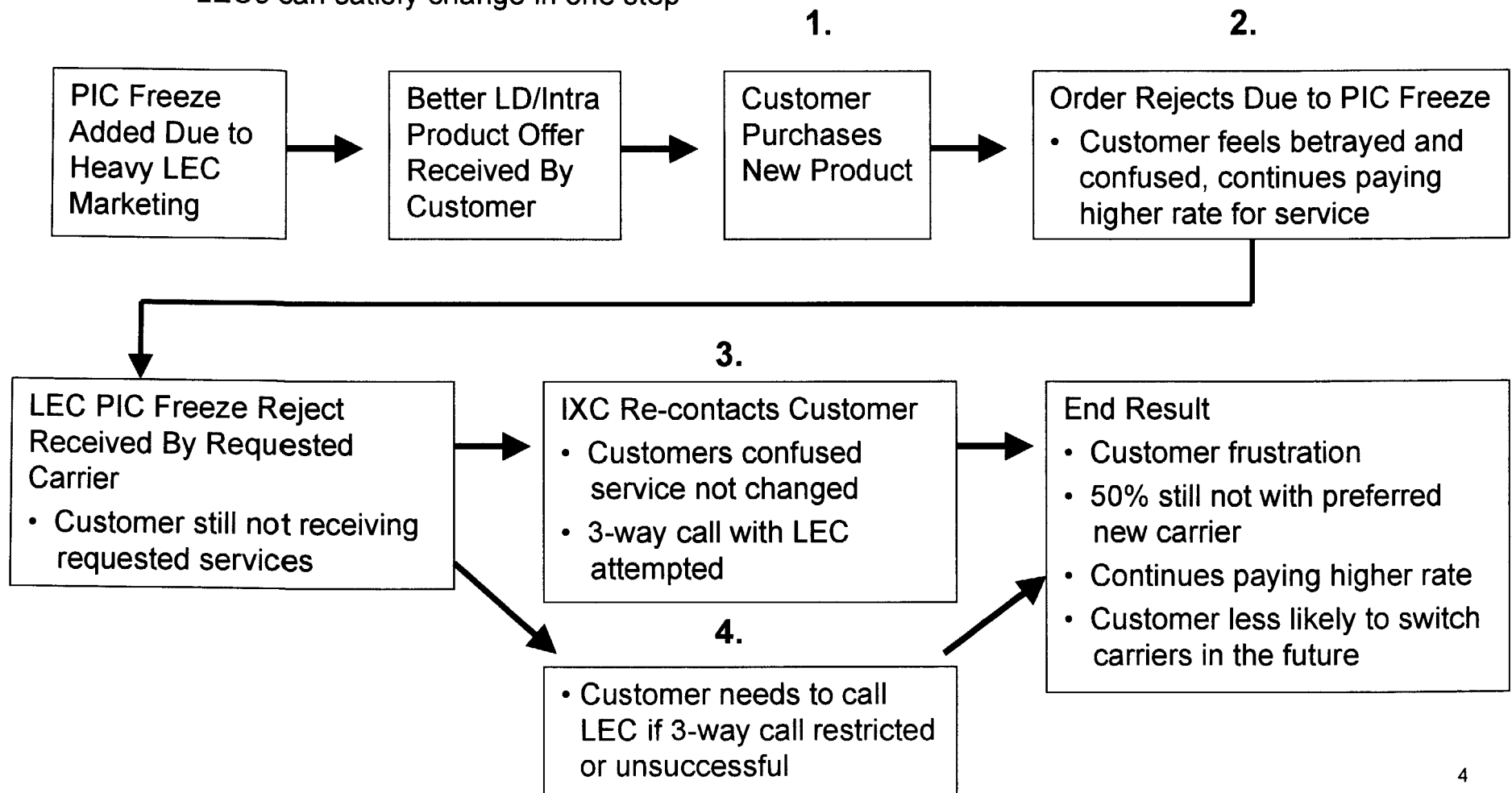
---



# LEC Control And Abuse Of PIC Freeze Obstructs Consumer Choice

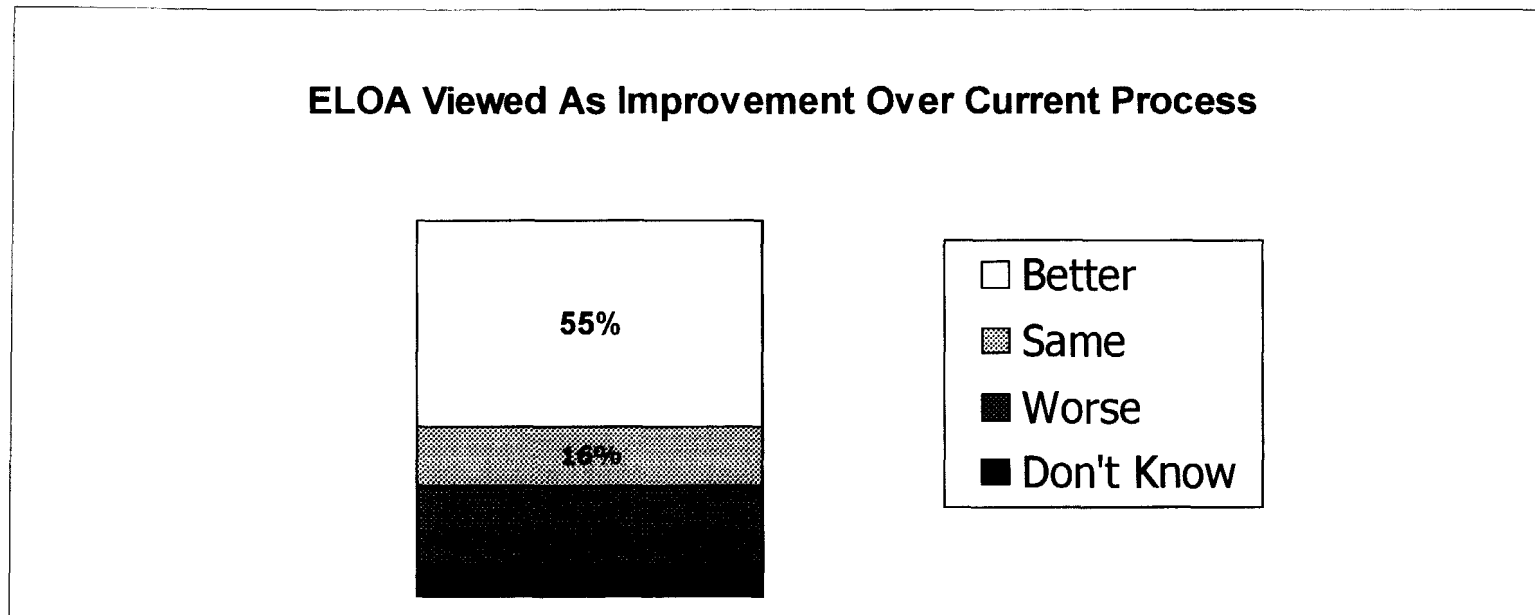
---

- Prevents provisioning of 50% of all customers with PIC Freezes
  - Delays consumer choice by an average of 3 weeks for the remaining 50%
- Current process requires up to 4 steps for customers to receive requested IXC service
  - LECs can satisfy change in one step



# Over Half Believe New Process Is Better

- 7 in 10 believe process same or better



MCI WorldCom PIC Freeze Research: 891 telephone interviews among recent PIC Freeze rejects, conducted by Data Development Corporation October 2000

# Ameritech Leads The Nation For PIC Freeze Rejects Through Aggressive Marketing

---

<u>LEC</u>	<u>Jan-00</u>	<u>Feb-00</u>	<u>Mar-00</u>	<u>Apr-00</u>	<u>May-00</u>	<u>Jun-00</u>	<u>Jul-00</u>	<u>Aug-00</u>	<u>Sep-00</u>
Ameritech / Illinois	28%	29%	33%	34%	33%	32%	32%	31%	31%
Ameritech / Indiana	27%	29%	33%	30%	29%	29%	30%	27%	27%
Ameritech / Michigan *	5%	6%	7%	8%	8%	8%	8%	8%	7%
Ameritech / Ohio	14%	15%	18%	19%	18%	18%	18%	18%	17%
Ameritech / Wisconsin	25%	29%	29%	29%	28%	26%	29%	25%	25%
National Average (excl AIT)	7%	7%	8%	7%	7%	8%	7%	8%	8%

\* Ameritech-Michigan eliminated PIC Freeze May98. Enrollment not re-launched by AIT until Sept99.

# LECs Dominate Customer Interaction

<u>LECs</u>	<u>Customer Interaction</u>	<u>IXCs</u>
<input checked="" type="checkbox"/>	Execute PIC Changes	✗
<input checked="" type="checkbox"/>	Administer PIC Freezes	✗
<input checked="" type="checkbox"/>	Access to Real Time PIC Freeze Information	✗
<input checked="" type="checkbox"/>	Disconnect Service (De-PIC)	✗
<input checked="" type="checkbox"/>	Compete for InterLATA and/or IntraLATA Customers (Approved Areas)	<input checked="" type="checkbox"/>



# Summary and Next Steps

---

- Process needs to allow customer expectations to be fulfilled, while fully honoring PIC Freeze
- ELOA authorizes LECs to process customer PIC requests
- After initial positive response, SBC turned down the ELOA proposal based on liability concerns
  - MCI WorldCom currently escalating within SBC
- Continue to work with Illinois Commission Staff on a trial during 1Q01